

027649
77-35541

Luther

Project Director, AQUATONE

7 MAY 1958

Director of Communications

DPS-0406
COPY 2 OF 2

Transfer of Contract Responsibility of System 2

REF: Memorandum to Director of Communications from Project Director, AQUATONE, same subject, dated 23 April 1958

1. I concur in the transfer of contract responsibility as proposed by the reference. I further concur with the statement that the transferring of this contract authority would not alter the technical responsibility of the Office of Communications. However, since the problems of administration of the contract would appear to be a direct responsibility of the Office of Logistics, I recommend that their representative attend the discussions to arrange for the proposed transfer.

2. I have appointed the Chief of the Research and Development Branch, Mr. [redacted], Extension [redacted], as the representative for the Office of Communications in this matter and would appreciate it if he be contacted for attendance at any meetings necessary to achieve the desired transfer.

SIGNED

[redacted]

25X1

[redacted]

25X1

25X1

[redacted]

see this. 27x 5/9/58

SECRET

SECRET

Luther

SAPC-26677
Copy 2 of 7
23 April 1958

MEMORANDUM FOR: Director of Communications

FROM : Project Director, AQUATONE

SUBJECT : Transfer of Contract Responsibility of System 2

Reference (a) : Memo to PD from D/C (OC-6158) dtd 23 May 1956

(b) : Memo to PD from D/C (OC-6942) dtd 25 June 1957

1. Since 1 April 1957, this Project has for reasons of security retained contract responsibility for System II. The Project is attempting to complete all work on Contract A-101 by 1 July 1958. Since it appears that your work may continue beyond that date, Security has agreed that contract authority and unused funds may be transferred to the Procurement Division for continuation of the work. Actually this change will have a negligible effect on your office inasmuch as technical responsibility remains unchanged. A resume of the development of this system is furnished below for your information:

25X1 (a) In March 1955, an engineering study was directed towards the development of System No. II for use in navigation and communications. An operational need existed at the time and the work was pursued diligently. [] of your office was the technical consultant to the Project for this procurement. Subsequent to this study, by reference (a), your office ordered 4 complete System No. II aircraft units. This initial order was later increased by direction of your office.

25X1 (b) In August 1956 this Project decided not to make use of System II unless future operations necessitated the "Nav" function of the equipment. The development and use of other navigational equipment finally resulted in the decision that no additional Project funds would be used for this System after 1 April 1957. In furtherance of this all Project equipment and materials were transferred without cost to the Office of Communications for your further use since [] indicated an interest on your part. This was further evidenced by Reference (b) which covered reconfiguration of System II equipment for CIA field stations.

SECRET

SECRET

25X1

25X1

25X1

(c) Since [] replacement, [] has monitored this project, and discussions have been held also with your Messers []

2. We would like to discuss this matter with you or representatives of your office at your convenience so that the transfer may be made as expeditiously as possible.

(sgd) Richard M. Bissell, Jr.

RICHARD M. BISSELL, JR.

Distribution:

- Orig - Director of Communications
- 2 - Contract A-101, Section B.4., Folder 5
- 3 - Project Finance
- 4 - Project Security
- 5 - Project Chrono

25X1

PS/DCI: [] :lmw (23/4/58)

SECRET